



**United Nations Federal Credit Union**

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Via Electronic Mail  
[regcomments@ncua.gov](mailto:regcomments@ncua.gov)

Mary Rupp, Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, Virginia 22314-3428

Re: Comments on Advanced Notice of Proposed Rulemaking for  
Part 704 (the "ANPR")

Dear Ms. Rupp:

On behalf of the United Nations Federal Credit Union ("UNFCU"), I am pleased to respond to the National Credit Union Administration's ("NCUA's" or the "Agency's") request for comment regarding the role that corporate credit unions ("Corporates") play in the credit union system.

UNFCU appreciates the opportunity to comment on such an important issue at this very critical time. Set forth below are some comments UNFCU asks the Agency to consider prior to moving ahead with a restructuring of the corporate credit union system.

PAYMENT AND SETTLEMENT SERVICES

While UNFCU does not necessarily rely solely upon the Corporates for payment and settlement services, we do recognize that these services are a core need of many smaller credit unions. We believe that the Corporates should continue to offer these services to credit unions however, the provision of these services should be separated from any more risky endeavors that the Corporates participate in.

INVESTMENT AUTHORITIES

Natural person credit unions are substantially limited in the types of investments and investment vehicles that they may utilize. This has placed natural person credit unions at a considerable disadvantage with regards to



achieving yields realized by other financial institutions as well as limiting the breadth of activities a credit union may engage in which are readily available to other financial institutions. This has sometimes led to credit unions being unable to properly serve its membership. UNFCU has directly experienced this by being unable to introduce multicurrency products and services to its members.

The Corporates have expanded investment authorities beyond those of natural person credit unions, which in certain circumstances may be extended to natural person credit unions through the Corporates. As the Corporates may be the only conduit for a credit union to take advantage of the benefits that such expanded authorities may bring, UNFCU believes that there is a compelling need for the Corporates to be able to maintain these expanded investment authorities.

UNFCU also believes that financial flexibility is going to be very important for credit unions to be able to successfully maneuver through these turbulent times. Limiting the Corporates investment abilities now will only hurt the credit union system in the long term.

Once again, thank you for the opportunity to comment on this issue and for your consideration of our comments. Should you have any questions or require additional information, please feel free to contact me directly via telephone at +1 347 686 6610 or by email to [mjconnery@unfcu.com](mailto:mjconnery@unfcu.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Michael J. Connery, Jr.", with a stylized, flowing script.

Michael J. Connery, Jr.